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## **Union Bank Receives Outstanding Rating for Community Reinvestment Act Performance**

**Morrisville, VT** – The Federal Deposit Insurance Corporation (FDIC) periodically evaluates thousands of banks across the country to determine how well their community development and lending practices contribute to the success of all in their local communities. Historically, less than 10% of financial institutions earn the coveted “Outstanding” rating which is reserved for banks that most effectively meet the credit needs of their local communities.

In its most recent examination by regulatory agencies, Union Bank received an “outstanding” rating for its compliance with the Community Reinvestment Act (CRA) in its two rated areas in VT and NH. The FDIC report states, “An institution in this group has an outstanding record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The rating is based on the results of two performance tests, the Lending Test and the Community Development Test.” Union Bank had an “excellent penetration among home mortgage loan customers of different incomes, while the banks market share ranking among low- to moderate-income borrowers was excellent”. In addition, the Bank’s community development performance demonstrates “an excellent responsiveness to the community development needs of its combined assessment area, through the provision of community development loans, qualified investments and community development services.”

Examples of Union Bank’s community projects:

- Invested \$1.1 million in 2019 for the Jeudevine Housing LTD Partnership (Partnership) – Lamoille Housing Partnership and Housing Vermont merged to form this Partnership. The investment provides funding to rehabilitate 18 affordable multi-family housing properties.
- The bank made two investments totaling \$100,000 in the Bethlehem Workforce Housing, a NH Community Development Finance Authority (CDFA) tax credit project. The tax credits will support a 28-unit low-income housing project development, sponsored by AHEAD, Inc.
- Union Bank employees provided 2,109 hours of financial expertise or technical assistance to 26 community development-related organizations in VT and 328 hours of financial expertise or technical assistance to 7 community development-related organizations in NH.
- Donated money and staff time to numerous organizations that focus on community and economic development, education, affordable housing, youth programs, and other health and human services. These financial donations and volunteerism provided significant and tangible benefits to the communities served.

“Union Bank is proud to have the efforts of its staff recognized by the Outstanding rating.” states David S. Silverman, Union Bank President and CEO. “In today’s challenging economic environment, it has become even more important for banks to fulfill their commitments under the CRA – to invest vital capital to all

segments of the communities we serve, including low- and moderate-income areas, and to ensure small businesses receive the funding they need to stay competitive and keep our communities strong. Union Bank is committed to the success of the communities in which we do business, and we are pleased that our efforts to support these communities have been recognized by the FDIC." This puts Union Bank in the unique position of being one of the top banks in the nation both in terms of financial performance and in meeting the credit and economic development needs of the communities we serve.

Union Bank, a wholly-owned subsidiary of Union Bankshares, Inc. (UNB, traded on the NASDAQ Exchange), provides commercial, retail and municipal banking services and asset management services throughout northern Vermont and New Hampshire. Union Bank operates 18 banking offices, two loan centers, and multiple ATMs throughout its geographical footprint.

Union Bank has been helping people buy homes and local businesses create jobs in area communities since opening its doors over 129 years ago. Union Bank has earned an exceptional reputation for residential lending programs and has been recognized by the US Department of Agriculture, Rural Development for the positive impact made in lives of first-time home buyers. Union Bank is consistently one of the top Vermont Housing Finance Agency mortgage originators. Additionally, Union Bank has also been designated as an SBA Preferred lender for its participation in small business lending. In each of the past five years, American Banker Magazine has ranked Union Bank among the top thirty community banks in the nation based on financial performance. Proud to be one of the few independent community banks serving Vermont and New Hampshire, Union Bank maintains a strong commitment to its core traditional values of keeping deposits safe, giving customers convenient financial choices and making loans to help people in our local communities buy homes, grow businesses, and create jobs. These values - combined with financial expertise, quality products and the latest technology - make Union Bank the leading choice for your banking services, both personal and business. Member FDIC. Equal Housing Lender.

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